

COASTAL CONSERVANCY

Staff Recommendation
December 2, 2004

**SAN FRANCISCO ESTUARY WATERSHEDS
FISHERIES EVALUATION**

File No. 04-091
Project Manager: Brenda Buxton

RECOMMENDED ACTION: Authorization to disburse to the Center for Ecosystem Management and Restoration up to \$125,000 to evaluate the potential of San Francisco Bay's streams for steelhead restoration and to identify restoration projects in at least seven of the watersheds most critical for steelhead fisheries.

LOCATION: San Francisco Bay Area streams, excluding the Sacramento-San Joaquin Delta.

PROGRAM CATEGORY: San Francisco Bay Conservancy

EXHIBITS

Exhibit 1: Project Location

Exhibit 2: Letters of Support

RESOLUTION AND FINDINGS:

Staff recommends that the State Coastal Conservancy adopt the following resolution pursuant to Sections 31000 *et seq.* of the Public Resources Code:

"The State Coastal Conservancy hereby authorizes the disbursement of an amount not to exceed one hundred twenty-five thousand dollars (\$125,000) to the Center for Ecosystem Management and Restoration ("CEMAR") for an evaluation of the potential of the San Francisco Bay Estuary's streams to provide habitat for restored steelhead runs and to identify restoration projects in at least seven high priority watersheds, subject to the condition that prior to commencement of work, CEMAR shall submit for the review and approval of the Executive Officer of the Conservancy a work program, schedule for completion and project budget, and the names and qualifications of any contractors to be employed."

Staff further recommends that the Conservancy adopt the following findings:

"Based on the accompanying staff report and attached exhibits, the State Coastal Conservancy hereby finds that:

***SAN FRANCISCO ESTUARY WATERSHEDS
FISHERIES EVALUATION***

1. The proposed project is consistent with the purposes and criteria set forth in Chapter 4.5 (Sections 31160-31164) of Division 21 of the Public Resources Code regarding the enhancement of natural resources of the San Francisco Bay Area.
2. The proposed project is consistent with the Project Selection Criteria and Guidelines adopted by the Conservancy on January 25, 2001.
3. The Center for Ecosystem Management and Restoration is a nonprofit organization existing under Section 501(c) (3) of the U.S. Internal Revenue Service Code, and whose purposes are consistent with Division 21 of the Public Resources Code.”

PROJECT SUMMARY:

Staff recommends authorization to disburse up to \$125,000 to the Center for Ecosystem Management and Restoration (CEMAR) to comprehensively identify steelhead fishery restoration projects in at least seven watersheds based on an evaluation of the potential of all San Francisco Bay’s streams for steelhead restoration.

This proposal will enable watershed restoration project funders and proponents to strategically select fishery restoration projects. Significant funds have been invested in the recovery of salmon and steelhead fisheries of Bay Area estuary streams, often to the benefit of natural resources. However, these investments would be better informed and of greater potential benefit to fisheries if based on a comprehensive evaluation of the region’s streams and a thorough identification of all the problems preventing sustainable fishery runs in a watershed. Funding of fisheries restoration in the Bay Area has lagged behind other parts of the state because of the lack of project identification and of an understanding of how completing such projects in a particular watershed will benefit the species overall.

CEMAR proposes to complete this evaluation by building on the Estuary Streams Report, a comprehensive scientific review of the historical status and current distribution of steelhead in the San Francisco Estuary streams. CEMAR will look at historical and current data and use criteria established by a technical advisory committee to characterize Estuary watersheds in terms of their relative potential contribution to the survival of the regional steelhead population. The next task will be to identify the key restoration actions required to restore steelhead fisheries in critical watersheds. These projects will include modification of fish barriers, land use and stream flow modifications, bank stabilization and other habitat improvement projects. All findings and conclusions will be peer reviewed. It is expected that at least seven of the Bay Area’s major streams and rivers, such as Alameda Creek, Guadalupe River, Coyote Creek, Napa River, San Francisco Creek, and Sonoma Creek, and others, will be deemed critical to steelhead recovery and will be comprehensively evaluated to identify restoration projects necessary for sustainable steelhead populations. Lastly, CEMAR will respond to technical questions and comments on the report and provide public outreach to the fisheries restoration community. CEMAR will also, as appropriate, make this data available to other agencies and the Fish Passage Database project.

CEMAR is a nonprofit organization whose primary purpose is the strategic restoration of aquatic and riparian habitat. Working on several fisheries restoration efforts around San Francisco Bay, including Alameda Creek, CEMAR has firsthand knowledge of the large numbers of potential

***SAN FRANCISCO ESTUARY WATERSHEDS
FISHERIES EVALUATION***

fisheries restoration projects and the finite amount of funding available for this work. CEMAR is proposing to undertake this evaluation to set restoration project priorities for remaining and future funding. CEMAR has acquired extensive knowledge of fisheries resources in the Bay Area in part from their staff's involvement with Robert A. Leidy of the US Environmental Protection Agency to complete the Estuary Streams Report. CEMAR's experience with resource evaluation has led it to include a technical advisory committee and peer review as key features of the proposed Estuary streams evaluation.

Site Description: This evaluation will focus on the streams and rivers of the San Francisco Bay Estuary, excluding the Sacramento-San Joaquin Delta.

Project History: In January 2004, the Conservancy granted CEMAR \$250,000 for a fisheries habitat inventory for central and southern coastal counties. That effort entails assembling and analyzing information regarding the historical distribution and current status of steelhead as the first step in identifying key restoration projects. This project will focus on San Francisco Bay, but will emphasize project identification and will involve less data collection since there is more existing information available regarding historical and existing fish habitat in the Bay Area's streams.

PROJECT FINANCING:

Coastal Conservancy	\$125,000
US EPA (in-kind, staff support)	8,600
Resources Legacy Fund Foundation	<u>15,000</u>

Total Project Cost	\$148,600
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The anticipated source of Conservancy funds is the fiscal year 2004-2005 appropriation to the Conservancy from the Water Security, Clean Drinking Water, Coastal Beach Protection Fund of 2002 (Proposition 50). Proposition 50 authorizes the use of these funds for the purpose of protecting coastal watersheds through projects to acquire, protect and restore land and water resources that are undertaken pursuant to the Conservancy's enabling legislation. Funds may be used for planning associated with protection, acquisition, and restoration activities. The proposed project will accomplish these purposes by identifying fisheries restoration projects in key watersheds in need of funding.

CONSISTENCY WITH CONSERVANCY'S ENABLING LEGISLATION:

These projects will be undertaken pursuant to Chapter 4.5 of the Conservancy's enabling legislation, Public Resources Code Sections 31160-31164, to address the natural resource goals in the San Francisco Bay Area Conservancy Program.

Section 31160 identifies one of the purposes of the San Francisco Bay Conservancy Program is "to address the resource and recreational goals of the San Francisco Bay area...in a coordinated, comprehensive, and effective way." By providing a comprehensive evaluation of the fisheries restoration potential of Bay Area streams, this project will increase the comprehensiveness and

***SAN FRANCISCO ESTUARY WATERSHEDS
FISHERIES EVALUATION***

effectiveness of restoration funding for both the Bay Conservancy Program as well as other funding programs.

Section 31162(b) authorizes the Conservancy “to protect, restore, and enhance natural habitats and connecting corridors, watersheds, scenic areas, and other open-space resources of regional importance.” One the best ways to ensure the protection and restoration of threatened steelhead fish is to identify the restoration projects that will provide the greatest benefit for the region’s steelhead population.

Section 31162(c) states that the Conservancy may “assist in the implementation of... the San Francisco Bay Plan, and the adopted plans of local government and special districts.”

Unfortunately, there is a dearth of plans for steelhead recovery in the San Francisco Bay Area as a region. The California Department of Fish and Game or the US NOAA Fisheries, while supporting this project, have not completed plans for the recovery of steelhead fisheries that include the San Francisco Bay Area. The California Department of Fish and Game’s 1996 Steelhead Restoration and Management Plan does not including the San Francisco Bay Area, but it does state that “restoration priority should be given to those projects that identify and correct problems that are most limiting to the target population” in order to insure restoration success. This project will provide an evaluation that is critical if funders, resource managers and the public are to identify what those limits are and find ways to correct them.

While this project is largely outside of the area covered by the San Francisco Bay Plan, the restoration of aquatic resources is consistent with the policies of the Bay Plan (see section on Consistency with the San Francisco Bay Plan). The Regional Water Quality Control Board is currently working on a streams amendment to the Basin Plan. Assessing watershed’s steelhead restoration potential and identifying restoration projects will be consistent with the policies of this amendment once adopted because it will help protect one of the key beneficial uses of the Bay Area’s streams: anadromous fisheries.

In addition, this project is consistent with the General Plans of Bay Area Counties that have adopted policies calling for the protection and restoration riparian and fisheries resources in their General Plans (Marin County 2004 Goal Bio 4, Sonoma County 1989 Goal RC-8, Alameda County 1976, Section III, Goal B, Objectives 1-4, Santa Mateo County 1986 Policies 1.40-49). This project is also consistent with the restoration goals of several Special Districts. The East Bay Regional Park District’s 1997 Master Plan directs the District to “conserve, enhance, and restore native fish...and their habitats...” (p.14). Santa Clara Water Agency’s Clean, Safe Creeks and Natural Flood Protection Plan states that the water district will identify and complete projects to preserve and restore creekside vegetation, remove barriers to fish migration and restore and protect habitat for fish and wildlife, especially endangered species. The San Francisco PUC’s Alameda Creek Watershed Plan calls for the protection and enhancement of threatened species and their habitat (Policy V5).

Section 31162(d) allows the Conservancy to undertake projects which “. . . promote, assist, and enhance projects that provide open space and natural areas that are accessible to urban populations for recreational and educational purposes.” This project is consistent with this provision because all of the Bay Area’s streams are near or in urbanized areas. Through the work

***SAN FRANCISCO ESTUARY WATERSHEDS
FISHERIES EVALUATION***

of the Bay Area's many creek advocacy organizations, many more people are aware of the need to restore steelhead trout populations.

Finally, Section 31163(c) directs the Conservancy to "utilize the criteria specified in this subdivision to develop project priorities for the San Francisco Bay Conservancy Program that provide for development and acquisition project, urban and rural projects, and open-space and outdoor recreational projects. The Conservancy will give priority to projects that to the greatest extent, meet the following criteria..." This project meets the specified criteria because it 1) is supported by adopted local and regional plans as described above, 2) involves multiple watersheds in all Bay Area Counties and serves a regional constituency, 3) will be implemented immediately, 4) contains the benefit of efficiently identifying restoration projects so they may be more quickly implemented before for funding is lost, and 5) includes \$13,000 in matching funds from the Resources Legacy Foundation and from staff support from the US EPA.

**CONSISTENCY WITH CONSERVANCY'S
STRATEGIC PLAN GOAL(S) & OBJECTIVE(S):**

Consistent with Goal 9, Objective A of the of the Conservancy's Strategic Plan, the proposed project will help the Conservancy "maintain [an] updated list of identified high-priority areas for the Bay Program, including projects that protect and restore natural habitats..."

Consistent with Goal 10, Objective B, the project will be a key component of developing "plans for approximately ten restoration or enhancement projects covering at least...6 linear miles of riparian habitat..."

**CONSISTENCY WITH CONSERVANCY'S
PROJECT SELECTION CRITERIA & GUIDELINES:**

The proposed project is consistent with the Conservancy's Project Selection Criteria and Guidelines adopted January 24, 2001, in the following respects:

Required Criteria

1. **Promotion of the Conservancy's statutory programs and purposes:** See the "Consistency with Conservancy's Enabling Legislation" section above.
2. **Consistency with purposes of the funding source:** See the "Project Financing" section above.
3. **Support of the public:** Supporters of this project include NOAA Fisheries, the California Department of Fish and Game, the San Francisco Regional Water Quality Control Board, American Rivers, and the Natural Resources Defense Council, as well as local fisheries scientists, including Dr. Jerry Smith of San Jose State University.
4. **Location:** This project will identify restoration projects in the streams of the San Francisco Bay Estuary, part of the nine county jurisdiction of the San Francisco Bay Program.
5. **Need:** Conservancy participation is needed because financial, staffing and jurisdictional limitations have prevented other agencies and nonprofits from undertaking or funding any

***SAN FRANCISCO ESTUARY WATERSHEDS
FISHERIES EVALUATION***

comprehensive, regional review of steelhead restoration projects and their relative importance for recovering the Bay Area's steelhead resources.

6. **Greater-than-local interest:** The steelhead fisheries found in Bay Area estuary are part of the Central California Coast Evolutionary Significant Unit, which is listed as "threatened" under the Endangered Species Act. Steelhead trout are an important historical, natural, and economic resource for both the State's fishing industry as well as Bay Area residents.

Additional Criteria

7. **Urgency:** Steelhead trout are a threatened species yet funding for restoration projects is finite. By identifying restoration projects with the most potential benefit to the ESU, restoration will be more efficient and quicker.
8. **Innovation:** This project will be the first regional, comprehensive, science-based look at the Bay Area's watersheds and their potential for steelhead restoration. In addition, the project will incorporate a technical advisory committee and peer review, which is often missing from restoration plans.
9. **Readiness:** The grantee is ready to begin the project immediately and has a completed report of the historical fishery resources, the Estuary Streams Report, of the Bay Area to draw upon.
10. **Realization of prior Conservancy goals:** See "Project History" above."

CONSISTENCY WITH SAN FRANCISCO BAY PLAN:

Most of the streams to be studied by this evaluation are outside of the jurisdiction of the San Francisco Bay Conservation and Development Commission. However, the purpose of this evaluation, to identify streams and the associated restoration projects that will bring back steelhead runs in the Bay's estuary, is consistent with several of the Bay Plan's policies regarding fish calling for the conservation and increase of endangered or threatened species and their habitat (Part III, The Bay as a Resource, Policy No. 2 regarding Fish, Other Aquatic Organisms, and Wildlife).

COMPLIANCE WITH CEQA:

Preparation of the project involves only data gathering, planning, and feasibility analyses for possible future actions and is thus statutorily exempt from the provisions of the California Environmental Quality Act (CEQA) pursuant to 14 Cal. Code of Regulations Section 15262. Staff will file a Notice of Exemption upon approval.